

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

-----X	
DAVIS INTERNATIONAL, LLC, HOLDEX,	:
LLC, FOSTON MANAGEMENT, LTD, and	:
OMNI TRUSTHOUSE, LTD,	:
	:
Plaintiffs,	:
v.	:
	:
NEW START GROUP CORP., VENITOM	:
CORP., PAN-AMERICAN CORP., MDM	:
BANK, URAL-GORNO METALURAGICAL	:
COMPANY, EVRAZ HOLDING, MIKHAIL	:
CHERNOI, OLEG DERIPASKA, ARNOLD	:
KISLIN, MIKHAIL NEKRICH, and	:
ISKANDER MAKMUDOV,	:
	:
Defendants.	:
-----X	

Case No. 04-1482-GMS

**APPENDIX TO DEFENDANTS'
OPENING BRIEFS IN SUPPORT OF
DEFENDANTS' MOTION TO DISMISS THE COMPLAINT**

Volume 9 of 13

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SUPPLY CONTRACT No. S-02/M-99

City of Elista

October 18, 1999

Poliprom LLC, hereinafter referred to as the Supplier, represented by its General Director G.M. Bukharin, acting on the basis of the Charter, and Vanadiy Mining Enrichment Plant of Kachkanar OJSC, hereinafter referred to as the Purchaser, represented by its General Director D.A. Khaydarov, acting on the basis of the Charter (hereinafter together referred to as the Parties), enter into this contract (hereinafter the Contract) as follows:

1. Subject of the Contract

1.1. The Supplier agrees to supply to the Purchaser under the terms of this Contract metal products (hereinafter the "Goods") in accordance with supplemental agreements to this Contract, and the Purchaser agrees to accept and pay for the supplied Goods.

2. Cost of the Goods and Method of Payment

2.1. The price of the Goods shall be determined on terms FCA, Serov-Zavodskiy Station, Sverdlovsk Railroad, and shall be set in Russian rubles (hereinafter rubles) per ton.

2.2. The price and quantity of the Goods shall be determined in supplemental agreements to this Contract.

2.3. The total cost of the Goods shall be 8,514,375 (eight million five hundred fourteen thousand three hundred seventy-five) (+/- 5%) rubles, including 20% VAT – 1,419,062.50 rubles.

2.4. The price of the Goods shall include the cost of packaging and other expenses of the Seller related to the delivery of the Goods on the terms indicated in section 2.1.

2.5. The total cost of the Contract may be changed by supplemental agreements signed by the Parties.

2.6. Payments between the Parties shall be made by transfer of funds to the current account of the Supplier, or in securities, including by agreement of the Parties by delivery of a promissory note and preparation of a statement of acceptance and transfer, or by offset of mutual claims, or by other financial instruments in accordance with current law of the Russian Federation.

2.7. Payment shall be made by the Purchaser in installments for each shipment of Goods in accordance with supplemental agreements to this Contract no later than 60 (sixty) banking days from the date of delivery of the last car of the shipment of Goods under section 3.3 of the Contract.

3. Terms and Time of Delivery

3.1. Delivery of the Goods shall be made in shipments from the Serov Metallurgical Plant (hereinafter the Manufacturing Plant) by railroad

Supply contract No. S-02/M-99, dated October 18, 1999 with Vanadiy Mining Enrichment Plant of Kachkanar

transport on terms FCA, Serov-Zavodskiy Station, Sverdlovsk Railroad pursuant to INCOTERMS 1990.

3.1.1. A shipment shall be defined as the quantity of goods determined in supplemental agreements to this Contract.

3.2. Delivery of Goods under this Contract shall be made at the times indicated in the supplemental agreements.

3.3. The date of delivery of Goods shall be considered the date of the stamp at the railroad station of origin on the railroad waybill and/or the date of issue of the railroad receipt of acceptance of the cargo for the last car of the shipment.

3.4. Title to the Goods shall be transferred from the Supplier to the Purchaser as of the date of delivery of the Goods under section 3.3 of the Contract.

4. Quality and Quantity of Goods

4.1. The quantity of Goods transferred by the Supplier to the Purchaser shall be considered the quantity indicated in the railroad waybill.

4.2. The quality of Goods transferred by the Supplier to the Purchaser shall be considered the quality indicated in the certificate of the Manufacturing Plant.

4.3. Upon acceptance of the Goods by the Purchaser, in the event of a discrepancy between the data on the quantity and quality of the Goods received by the Purchaser and the data in the shipping documents, the acceptance of the Goods according to quantity and quality pursuant to the Instruction on the Manner of Acceptance of Manufacturing and Technical Products and Consumer Goods according to Quantity (No. P-6) and the Instruction on the Manner of Acceptance of Manufacturing and Technical Products and Consumer Goods according to Quality (No. P-7), with mandatory notice to the Supplier, and the Goods shall be taken under secure storage in the case of shortage or receipt of indicators of poor quality, with a statement to that effect prepared in the presence of the Supplier.

5. Rights and Duties of the Parties

5.1. The Parties agree to indicate in the documents accompanying the Goods, in addition to the data required for shipment documents, the results of analysis of the quality of the Goods or a reference to documents attesting to their proper quality.

5.2. *The Purchaser shall have the right:*

- to demand that delivered Goods be transferred to the Purchaser;
- to demand a reduction in price or the termination of the contract if the Goods are not free of rights of third parties;
- to demand delivery of deficient Goods in the event of incomplete delivery.

5.3. *The Purchaser shall be obligated:*

- to perform all necessary actions to provide for acceptance of the Goods;
- to verify the quantity and quality of accepted Goods and to give immediate written notice of any deficiencies to the Supplier;
- upon refusal to accept delivered Goods, to provide for their safekeeping. If the Supplier does not dispose of the Goods in a reasonable time, the Purchaser shall have the right to sell the Goods or return

them to the Supplier and receive reimbursement of necessary expenses;

– to pay for the Goods at the price prescribed by supplemental agreements to the Contract.

5.4. *The Supplier shall be obligated:*

-- to transfer the Goods free from of any rights of third parties, unless the Purchaser has agreed to accept Goods encumbered by such rights;

-- to transfer the Goods in the quantity and quality required by the terms of the Contract.

6. Liability of the Parties

6.1. A Party that fails to perform or improperly performs its obligations under the Contract shall be obligated to compensate the other Party for losses caused by such failure to perform.

6.2. The Supplier shall pay a penalty for failure to deliver or late delivery of Goods in the amount of 0.1% of the amount of Goods not delivered on time, per day until actual performance of the obligation.

6.3. The Purchaser shall pay a penalty for failure to pay or late payment for Goods in the amount of 0.1% of the amount of Goods not paid or paid late, per day until actual payment.

7. Dispute Resolution

7.1. All disputes and disagreements shall be resolved by negotiation on the basis of current law of the RF and business customs.

7.2. Disputes not resolved in the process of negotiation shall be resolved in court in the manner established by current law of the RF.

8. Grounds for Release from Liability

8.1. The Parties shall be released from liability for partial or full non-performance of their obligations under the Contract if such non-performance was the consequence of circumstances beyond their control that arose after the signing of the Contract as a result of circumstances of an extraordinary nature that the Parties could neither foresee nor prevent.

9. Final Provisions

9.1. Unilateral refusal to perform the Contract or unilateral modification of the Contract shall not be permitted.

9.2. Any modifications or additions to the Contract shall be valid if they are made in written form and signed by the parties.

9.3. The Contract shall take effect upon signing and remain in effect until January 15, 2000, except that with respect to payments the Contract shall remain in effect until full performance of obligations.

9.4. The Contract is made in two originals, one of which shall be retained by the Purchaser and one by the Supplier.

9.5. The Parties shall be obligated to inform each other of changes in their addresses or requisites, including their shipping requisites. Notice by the Purchaser of a change in the Purchaser's requisites shall be mandatory for the Supplier for shipment of Goods at the time set by the Contract if such notice is received by the Supplier no later than 10 (ten) days before the beginning of the delivery.

10. Legal Addresses and Bank Requisites of the Parties:

Purchaser:

Vanadiy Mining Enrichment Plant OJSC
Taxpayer ID No. 6615001962
2 Sverdlov St., Kachkanar
Sverdlovsk Oblast 624356
Bank requisites:
current account No. 40702810000000003170
Ural Bank for Reconstruction and Development
City of Yekaterinburg
correspondent account No. 30101810900000000795
BIK 046577795

Supplier:

Poliprom LLC
Taxpayer ID No. 0814113973
249 Lenin St., Room 505
Elista, Republic of Kalmykia 358000, RF
Bank requisites:
current account No. 40702810800090000040
Branch of Moskovskiy Delovoy Mir
Joint Stock Commercial Bank, City of Elista
correspondent account No. 30101810900000000466,
correspondent account No. 30301810600011680006
Moskovskiy Delovoy Mir Joint Stock Commercial
Bank
BIK 044525466

Signatures of the Parties:

Purchaser:

[signature]

D.A. Khaydarov

[round stamp: Vanadiy Mining Enrichment Plant
of Kachkanar, Open Joint Stock Company; City
of Kachkanar]

Supplier:

[signature]

G.M. Bukharin

[round stamp: Poliprom Limited Liability Company,
City of Elista, Republic of Kalmykia, Russian Federation]

Supply contract No. S-02/M-99, dated October 18, 1999 with Vanadiy Mining Enrichment Plant of Kachkanar

SUPPLEMENTAL AGREEMENT No. 1
to Supply Contract No. S-02/M-99, dated October 18, 1999

City of Elista

November 15, 1999

Poliprom LLC, hereinafter referred to as the "Supplier," and Vanadiy Mining Enrichment Plant of Kachkanar OJSC, hereinafter referred to as the "Purchaser," (together referred to as the "Parties"), have entered into this Supplemental Agreement No. 1 (hereinafter "Supplemental Agreement No. 1") to Supply Contract No. S-02/M-99, dated October 18, 1999, (hereinafter "the Contract") as follows:

The Supplier agrees to supply the Purchaser based on the terms of the Contract, and the Purchaser agrees to accept and pay for the Goods according to the following specifications:

Specifications of the Goods:

1. Type of product: Ground and underground disk
S45C and SCM440 (according to ACTM)
Diameter: from 13.00 mm to 75.00 mm and 140.00 mm to 270.00 mm
Length: from 3,000 mm to 6,000 mm

2. Chemical Composition:

Type	C	Mn	S	P	Si	Cr	Mo	Ni	Cu	Al
S45C	.44-.51	.50-.80	Max .035	Max .035	.15-.35	Max .40	--	Max .30	Max .30	Max .06
SCM440	.38-.45	.60-.90	Max .035	Max .035	Max .40	.90- 1.10	.15-.30	Max .30	Max .30	Max .06

3. Permissible tolerances for content of elements in rolled metal:

Type	C	Mn	S	P	Si	Cr	Mo	Ni	Cu	Al
S45C	+/- .02	+/- .03	+ .005	+ .005	+ .02	+/- .03	--	+ .03	+ .03	+ .005
SCM440	+/- .02	+/- .04	+ .005	+ .005	+ .03	+/- .05	+/- .03	+ .03	+ .03	+ .005

4. Quantity: 1250 tons (+/-10%), including
S45C: 496 tons
SCM440 754 tons
5. Delivery shall be made in accordance with the terms of the Contract.
6. Price of metal product: 6,811.50 (six thousand eight hundred eleven rubles and fifty kopecks) rubles per 1 ton, including 20% VAT = 1135.25 rubles.
7. The total cost under Supplemental Agreement No. 1 shall be 8,514,375 (eight million, five hundred fourteen thousand, three hundred seventy-five) (+/-5%) rubles, including 20% VAT = 1,419,062.50 rubles.
8. The prices indicated are valid only for this shipment of the Goods.
9. Time of delivery: November-December 1999
10. Supplemental Agreement No. 1 is an integral part of the Contract.

Signatures of the Parties:

Purchaser:

Supplier:

D.A. Khaydarov
[signature]

G.M. Bukharin
[signature]

[round stamp: Vanadiy Mining Enrichment
Plant of Kachkanar OJSC]

[round stamp: illegible]

[stamp: COPY]

Statement of Reconciliation of Mutual Payments Between Vanadiy Mining Enrichment Plant of Kachkanar OJSC and Poliprom LLC
under Contract No. S-02/M-99, dated September 30, 1999
for the period from January 1, 2000, to January 21, 2000

City of Kachkanar

January 21, 2000

Name	Poliprom LLC			Vanadiy Mining Enrichment Plant of Kachkanar OJSC		
	Document	Document Number	Date	Document	Document Number	Amount in Rubles
1. Delivery of metal products to Vanadiy Mining Enrichment Plant of Kachkanar OJSC	invoice	28	1-21-00			8,288,505.66
Total:						8,288,505.66

As of January 22, 2000, the balance of payments in favor of Poliprom LLC is 8,288,505.66 rubles, including VAT of 1,381,417.61 rubles.

Vanadiy Mining Enrichment Plant of Kachkanar OJSC

[signature]
D.A. Khaydarov
General Director

[signature]
I.S. Trishkina
Manager, Finance and Economics Division

Poliprom LLC

[signature]
G.M. Bukharin
General Director

[signature]
T.N. Tyukacheva
Chief Accountant

[stamp: COPY]

**CONTRACT No. KGOK 18/10-99
for the purchase and sale of shares**

City of Moscow

October 18, 1999

Poliprom Limited Liability Company, hereinafter referred to as the "Seller", represented by its General Director G.M. Bukharin, acting on the basis of the Charter, and Vanadiy Mining Enrichment Plant of Kachkanar Open Joint Stock Company, hereinafter referred to as the "Purchaser", represented by its General Director D.A. Khaydarov, acting on the basis of the Charter, collectively referred to as the "Parties", have entered into this contract as follows:

1. Subject of the Contract

1.1. The Seller agrees to transfer the securities indicated in section 1.2 of this Contract, and the Purchaser agrees to take title to the securities and pay the Seller pursuant to section 1.3 of this contract.

1.2. Information about the securities that are the subject of purchase and sale under this contract:

Type of shares	Inscribed common shares in non-documentary form
State registration number	43-1-453, dated May 6, 1996
Issuer of shares	Bentonit Open Joint Stock Company
Issuer's registration number	Decree on Registration No. 142 by the Administration of Yurgamysk District, dated May 24, 1995
Location of issuer	[number illegible] Lenin St., City of Kurgan, Kurgan Oblast, Russia
Holder of the issuer's registry of shareholders	Bentonit Open Joint Stock Company
Par value per share	10 (ten) rubles
Number of shares	34,075 (thirty-four thousand seventy-five) shares
Currency of transaction	Russian Federation rubles
Currency of payment	Russian Federation rubles

1.3. The amount of the transaction under this contract is 20,445,000 (twenty million four hundred forty-five thousand) rubles.

2. Method of Payment for Shares

2.1. The Purchaser agrees to make full payment for the securities indicated in section 1.2 of this Contract by transfer of funds to the Seller's bank account, or by securities or other financial instruments with preparation of the appropriate statement of acceptance and transfer.

2.2. Payment for the securities indicated in section 1.2 of this Contract shall be made by the Purchaser within 30 (thirty) days from the date of signing of this contract.

3. Transfer of Title to the Shares

3.1. The Seller agrees upon the signing of this Contract to issue to the Purchaser and/or to the Registrar a transfer order for the securities indicated in section 1.2 of this Contract, in order to enter the change in the registry of holders of the issuer's securities and to re-register the title from the Seller to the Purchaser.

3.2. The Seller agrees upon the signing of this Contract to issue to the Purchaser a power of attorney to enter changes in the registry of holders of the issuer's securities with respect to the securities indicated in section 1.2 of this Contract.

3.3. The Seller agrees not to recall the transfer order issued by the Seller in the manner prescribed in section 3.1 of this Contract, and not to issue

a transfer order with respect to all or a portion of the securities indicated in section 1.2 of this Contract to any third party.

3.4. The Purchaser shall perform the re-registration of title to the securities indicated in section 1.2 of this Contract in the registry of holders of the issuer's securities at any time in the Purchaser's discretion.

3.5. The Seller shall bear the expenses for the re-registration of the title to the securities in the registry of holders of the issuer's securities.

4. Liability of the Parties

4.1. If the Purchaser fails to meet the deadlines indicated in section 2.2 of this contract, the Purchaser shall be obligated to pay to the Seller a penalty in the amount of 0.2 (zero and two-tenths) percent of the amount of this Contract per day of delay.

4.2. If the Purchaser fails to meet the deadlines indicated in section 2.2 of this Contract by more than 10 (ten) banking days, the Seller shall have the right to terminate this Contract unilaterally. The Purchaser shall pay to the Seller a fine for failure to perform the Contract in the amount of 10 (ten) percent of the amount of this Contract.

4.3. If the Seller fails to perform its obligations under sections 3.1, 3.2, and 3.3 of this Contract, the Seller shall pay to the Purchaser a fine in the amount of 10 (ten) percent of the amount of this Contract.

5. Term of Contract

5.1. The Parties shall use all efforts to resolve disputes and disagreements in the implementation of this Contract by negotiations and bilateral agreements. If agreement is not reached, disputes shall be resolved in the arbitration court for the city of Moscow.

5.2. The Contract shall take effect upon its signing and shall be terminated by the full performance by the Parties of their obligations under the Contract, or by the provisions of this contract regarding its termination.

5.3. All amendments, additions, and agreements to this contract shall be valid only if they are made in written form and signed by the authorized representatives of both Parties and certified by their seals.

5.4. The Contract may be amended, terminated, or declared invalid only on the grounds and in the manner prescribed by current law and this contract.

5.5. In all circumstances related to the implementation of this contract that are not directly addressed by this contract, the Parties shall be governed by the requirements of current law.

6. Legal and Bank Addresses of the Parties

PURCHASER:

Vanadiy Mining Enrichment Plant of Kachkanar OJSC
2 Sverdlov St., Kachkanar
Sverdlovsk Oblast 624356
Taxpayer ID No. 6615001962
OKPO 00186938,
current account No. 40702810000000003170 at
Ural Bank for Reconstruction and Development,
correspondent account 30101810900000000795
BIK 046577795

General Director of
Vanadiy Mining Enrichment Plant OJSC

D.A. Khaydarov
[signature]
[round stamp: Vanadiy Mining Enrichment Plant of
Kachkanar Open Joint Stock Company,
city of Kachkanar]

SELLER:

Poliprom LLC
249 Lenin St., room 505, Elista, Republic of Kalmykia,
Russian Federation 358000
Taxpayer ID No. 0814113973
current account 40702810800090000040 at
the Elista branch of the Moskovskiy Delovoy Mir
Joint Stock Commercial Bank
correspondent account 30301810600011680006
at Moskovskiy Delovoy Mir Joint Stock Commercial Bank
BIK 044525466

General Director of
Poliprom LLC

G.M. Bukharin
[signature]
[round stamp: Poliprom Limited Liability Company, city of
Elista, Republic of Kalmykia, Russian Federation]

EXTRACT
 from the registry of holders of inscribed securities
 (this is not a security)
 as of October 20, 1999

Full name of Issuer: Bentonit Open Joint Stock Company
 Registration order: No. 142, dated May 24, 1995
 Name of registering agency: Administration of Yurgamysh District
 Number of personal account of registered person: 41
 Last name, first name, and patronymic of registered person (or full name of legal entity):
 VANADIY Mining Enrichment Plant of Kachkanar Open Joint Stock Company
 Address: 2 Sverdlov Street, City of Kachkanar, Sverdlovsk Oblast, 624356
 Type of registered person: owner

Securities credited to the personal account of the registered person:

Type of Security	Category of Security	Par Value (in rubles)	Quantity of Securities (units)	State Registration Number of the Issue of Securities	Agency Registering the Issue
Inscribed shares (first issue)	Common	10	34,075	43-1-453, dated May 6, 1996	Financial Administration of Kurgan Oblast

Quantity, type, and category of securities that are encumbered by obligations or that have been blocked:

The 34,075 (thirty-four thousand seventy-five) inscribed common shares are not encumbered by obligations and have not been blocked.

The registrar is liable for the completeness and accuracy of the information contained in this extract from the registry.

Holder of the registry: Bentonit OJSC
 5-509 Lenin Street, City of Kurgan, 640000, telephone 22670, fax 23118

[signature]
 V. V. Eret
 General Director

[signature]
 M. G. Chernikova
 Registrar

[initialed handwritten notation: true copy]

[handwritten: G. M. Bukharin]
 [round stamp: illegible]

Statement of Reconciliation of Mutual Payments
Between Vanadiy Mining Enrichment Plant of Kachkanar OJSC and Poliprom LLC
under Contract No. KGOK-18/10-99, dated October 18, 1999,
for the period from January 1, 1999, to December 31, 1999

City of Kachkanar

January 5, 2000

Name	Document	Amount in Rubles
1. Transfer of shares in Bentonit OJSC	extract from registry of shareholders	20,445,000.00

The indebtedness of Vanadiy Mining Enrichment Plant of Kachkanar OJSC toward Poliprom LLC as of December 31, 1999, is 20,445,00.00 rubles.

Poliprom LLC

Vanadiy Mining Enrichment Plant of Kachkanar OJSC

[signature]

[signature]

G. M. Bukharin
General DirectorD. A. Khaydarov
General Director

[signature]

[signature]

T. N. Tyukacheva
Chief AccountantI. S. Trishkina
Manager, Finance and Economics Division[round stamp: Poliprom Limited Liability
Company, city of Elista; Republic of
Kalmykia, Russian Federation][round stamp: Vanadiy Mining Enrichment Plant of
Kachkanar Open Joint Stock Company, city of Kachkanar]

SUPPLY CONTRACT No. S-01-99/M

City of Elista

September 30, 1999

Poliprom LLC, hereinafter referred to as the Supplier, represented by its General Director G.M. Bukharin, acting on the basis of the Charter, and Vanadiy Mining Enrichment Plant of Kachkanar OJSC, hereinafter referred to as the Purchaser, represented by its General Director D.A. Khaydarov, acting on the basis of the Charter (hereinafter together referred to as the Parties), enter into this contract (hereinafter the Contract) as follows:

1. Subject of the Contract

1.1. The Supplier agrees to supply to the Purchaser under the terms of this Contract metal products (hereinafter the "Goods") in accordance with supplemental agreements to this Contract, and the Purchaser agrees to accept and pay for the supplied Goods.

2. Cost of the Goods and Method of Payment

2.1. The price of the Goods shall be determined on terms FCA, Chusovskaya Station, Sverdlovsk Railroad, and shall be set in Russian rubles (hereinafter rubles) per ton.

2.2. The price and quantity of the Goods shall be determined in supplemental agreements to this Contract.

2.3. The total cost of the Goods shall be 72,000,000 (seventy-two million) (+/- 5%) rubles, including 20% VAT – 12,000,000 rubles.

2.4. The price of the Goods shall include the cost of packaging and other expenses of the Seller related to the delivery of the Goods on the terms indicated in section 2.1.

2.5. The total cost of the Contract may be changed by supplemental agreements signed by the Parties.

2.6. Payments between the Parties shall be made by transfer of funds to the current account of the Supplier, or in securities, including by agreement of the Parties by delivery of a promissory note and preparation of a statement of acceptance and transfer, or by offset of mutual claims, or by other financial instruments.

2.7. Payment shall be made by the Purchaser in installments for each shipment of Goods in accordance with supplemental agreements to this Contract no later than 30 (thirty) banking days from the date of delivery of the last car of the shipment of Goods under section 3.3 of the Contract.

3. Terms and Time of Delivery

3.1. Delivery of the Goods shall be made in shipments from the Chusovskiy Metallurgical Plant (hereinafter the Manufacturing Plant) by railroad transport on terms FCA, Chusovskaya Station, Sverdlovsk Railroad pursuant to INCOTERMS 1990.

Supply contract No. S-01-99/M, dated September 30, 1999 with Vanadiy Mining Enrichment Plant of Kachkanar

3.1.1. A shipment shall be defined as the quantity of goods determined in supplemental agreements to this Contract.

3.2. Delivery of Goods under this Contract shall be made at the times indicated in the supplemental agreements.

3.3. The date of delivery of Goods shall be considered the date of the stamp at the railroad station of origin on the railroad waybill and/or the date of issue of the railroad receipt of acceptance of the cargo for the last car of the shipment.

3.4. Title to the Goods shall be transferred from the Supplier to the Purchaser as of the date of delivery of the Goods under section 3.3 of the Contract.

4. Quality and Quantity of Goods

4.1. The quantity of Goods transferred by the Supplier to the Purchaser shall be considered the quantity indicated in the railroad waybill.

4.2. The quality of Goods transferred by the Supplier to the Purchaser shall be considered the quality indicated in the certificate of the Manufacturing Plant.

4.3. Upon acceptance of the Goods by the Purchaser, in the event of a discrepancy between the data on the quantity and quality of the Goods received by the Purchaser and the data in the shipping documents, the acceptance of the Goods according to quantity and quality pursuant to the Instruction on the Manner of Acceptance of Manufacturing and Technical Products and Consumer Goods according to Quantity (No. P-6) and the Instruction on the Manner of Acceptance of Manufacturing and Technical Products and Consumer Goods according to Quality (No. P-7), with mandatory notice to the Supplier, and the Goods shall be taken under secure storage in the case of shortage or receipt of indicators of poor quality, with a statement to that effect prepared in the presence of the Supplier.

5. Rights and Duties of the Parties

5.1. The Parties agree to indicate in the documents accompanying the Goods, in addition to the data required for shipment documents, the results of analysis of the quality of the Goods or a reference to documents attesting to their proper quality.

5.2. *The Purchaser shall have the right:*

- to demand that delivered Goods be transferred to the Purchaser;
- to demand a reduction in price or the termination of the contract if the Goods are not free of rights of third parties;

- to demand delivery of deficient Goods in the event of incomplete delivery.

5.3. *The Purchaser shall be obligated:*

- to perform all necessary actions to provide for acceptance of the Goods;
- to verify the quantity and quality of accepted Goods and to give immediate written notice of any deficiencies to the Supplier;

- upon refusal to accept delivered Goods, to provide for their safekeeping. If the Supplier does not dispose of the Goods in a reasonable time, the Purchaser shall have the right to sell the Goods or return them to the Supplier and receive reimbursement of necessary expenses;

-- to pay for the Goods at the price prescribed by supplemental agreements to the Contract.

5.4. *The Supplier shall be obligated:*

-- to transfer the Goods free from of any rights of third parties, unless the Purchaser has agreed to accept Goods encumbered by such rights;

-- to transfer the Goods in the quantity and quality required by the terms of the Contract.

6. Liability of the Parties

6.1. A Party that fails to perform or improperly performs its obligations under the Contract shall be obligated to compensate the other Party for losses caused by such failure to perform.

6.2. The Supplier shall pay a penalty for failure to deliver or late delivery of Goods in the amount of 0.1% of the amount of Goods not delivered on time, per day until actual performance of the obligation.

6.3. The Purchaser shall pay a penalty for failure to pay or late payment for Goods in the amount of 0.1% of the amount of Goods not paid or paid late, per day until actual payment.

7. Dispute Resolution

7.1. All disputes and disagreements shall be resolved by negotiation on the basis of current law of the RF and business customs.

7.2. Disputes not resolved in the process of negotiation shall be resolved in court in the manner established by current law of the RF.

8. Grounds for Release from Liability

8.1. The Parties shall be released from liability for partial or full non-performance of their obligations under the Contract if such non-performance was the consequence of circumstances beyond their control that arose after the signing of the Contract as a result of circumstances of an extraordinary nature that the Parties could neither foresee nor prevent.

9. Final Provisions

9.1. Unilateral refusal to perform the Contract or unilateral modification of the Contract shall not be permitted.

9.2. Any modifications or additions to the Contract shall be valid if they are made in written form and signed by the parties.

9.3. The Contract shall take effect upon signing and remain in effect until January 15, 2000, except that with respect to payments the Contract shall remain in effect until full performance of obligations.

9.4. The Contract is made in two originals, one of which shall be retained by the Purchaser and one by the Supplier.

9.5. The Parties shall be obligated to inform each other of changes in their addresses or requisites, including their shipping requisites. Notice by the Purchaser of a change in the Purchaser's requisites shall be mandatory for the Supplier for shipment of Goods at the time set by the Contract if such notice is received by the Supplier no later than 10 (ten) days before the beginning of the delivery.

10. Legal Addresses and Bank Requisites of the Parties:

Purchaser:

Vanadiy Mining Enrichment Plant OJSC

Taxpayer ID No. 6615001962

2 Sverdlov St., Kachkanar

Sverdlovsk Oblast 624356

Bank requisites:

current account No. 40702810000000003170

Ural Bank for Reconstruction and Development

City of Yekaterinburg

correspondent account No. 30101810900000000795

BIK 046577795

Supplier:

Poliprom LLC

Taxpayer ID No. 0814113973

249 Lenin St., Room 505

Elista, Republic of Kalmykia 358000, RF

Bank requisites:

current account No. 40702810800090000040

Branch of Moskovskiy Delovoy Mir

Joint Stock Commercial Bank, City of Elista

correspondent account No. 30101810900000000466,

correspondent account No. 30301810600011680006

Moskovskiy Delovoy Mir Joint Stock Commercial Bank

BIK 044525466

Signatures of the Parties:

Purchaser:

[signature]

D.A. Khaydarov

[round stamp: Vanadiy Mining Enrichment Plant of Kachkanar, Open Joint Stock Company; City of Kachkanar]

Supplier:

[signature]

G.M. Bukharin

[round stamp: Poliprom Limited Liability Company, City of Elista, Republic of Kalmykia, Russian Federation]

Supply contract No. S-01-99/M, dated September 30, 1999 with Vanadiy Mining Enrichment Plant of Kachkanar

**Supplemental Agreement No. 1
to Supply Contract No. S-01/M-99, dated September 30, 1999**

City of Moscow

September 30, 1999

Poliprom LLC, hereinafter referred to as the "Supplier", and Vanadiy Mining Enrichment Plant of Kachkanar OJSC, hereinafter referred to as the "Purchaser", (together referred to as the "Parties"), have entered into this Supplemental Agreement No. 1 (hereinafter "Supplemental Agreement No. 1") to Supply Contract No. S-01/M-99, dated September 30, 1999, (hereinafter "the Contract") as follows:

The Supplier agrees to supply the Purchaser based on the terms of the Contract, and the Purchaser agrees to accept and pay for the Goods according to the following specifications:

Specifications of Goods

1. Steel stock, state standard 380-94, technical specification 14-1-5237-93.

Surface quality: Category 1, technical specification 14-1-4492-88.

Packing: six-ton bundles

Minimum train car load: 60 tons

No.	Size, mm	Measured Length, mm	Steel	Quantity, tons
1.	125x125	4,000 (+/-100)	3 SP/PS	9,000

Price per ton: 3,246 (three thousand two hundred forty-six) rubles per ton, including 20% VAT = 541 rubles.

Total amount under the Supplemental Agreement:

steel stock: 9,500 (+5%/-0%) tons

2. Time of delivery: October-November 1999

3. The total cost under Supplemental Agreement No. 1 is 29,214,000 (twenty-nine million two hundred fourteen thousand) rubles, including the 20% VAT = 4,869,000 rubles.

4. The prices indicated are valid only for this shipment of the Goods.

5. Supplemental Agreement No. 1 is an integral part of Supply Contract No. S-01/M-99, dated September 30, 1999.

Signatures of the Parties:

Purchaser:

D.A. Khaydarov
[signature]

[round stamp: Vanadiy Mining Enrichment
Plant of Kachkanar OJSC]

Supplier:

G.M. Bukharin
[signature]

[round stamp: Poliprom Limited Liability Company
EM-V No. 198 Russian Federation, Republic of
Kalmykia, City of Elista]

**Supplemental Agreement No. 2
to Supply Contract No. S-01/M-99, dated September 30, 1999**

City of Moscow

November 29, 1999

Poliprom LLC, hereinafter referred to as the "Supplier," and Vanadiy Mining Enrichment Plant of Kachkanar OJSC, hereinafter referred to as the "Purchaser," (together referred to as the "Parties"), have entered into this Supplemental Agreement No.2 (hereinafter "Supplemental Agreement No. 2") to Supply Contract No. S-01/M-99, dated September 30, 1999 (hereinafter the "Contract") as follows:

The Supplier agrees to supply the Purchaser based on the terms of the Contract, and the Purchaser agrees to accept and pay for the Goods according to the following specifications:

SPECIFICATIONS OF THE GOODS

1. Hot-rolled reinforcement bars, state standard 5781-82, Class A3.

Steel type: 35 GS

Length: 11,700 (+/-100) mm.

No.	Diameter, mm	Quantity, tons
3.	16	325
4.	18	325
5.	20	325
6.	25	325
7.	28	325
8.	32	390
TOTAL:		2,015

Price per ton: 4,080 (four thousand eighty) rubles per ton, including 20% VAT = 680 rubles.

Total amount under the Supplemental Agreement:

Hot-rolled reinforcement bars: 2,015 (+5%/-0%) tons

2. Time of delivery: October-December 1999

3. The total cost under Supplemental Agreement No. 1 is 8,221,200 (eight million, two hundred twenty-one thousand two hundred) rubles, including the 20% VAT = 1,370,200 rubles.

4. The prices indicated are valid only for this shipment of the Product.

5. Supplemental Agreement No. 2 is an integral part of Supply Contract No. S-01/M-99, dated September 30, 1999.

Signatures of the Parties:

Purchaser:

D.A. Khaydarov
[signature]

[round stamp: Vanadiy Mining Enrichment
Plant of Kachkanar OJSC]

Supplier:

G.M. Bukharin
[signature]

[round stamp: illegible]

COPY

CONTRACT No. 15-99/PK

Kachkanar

October 27, 1999

Poliprom Limited Liability Company, hereinafter referred to as "Seller", represented by General Director G.M. Bukharin, acting on the basis of the Statutes, party of the first part, and Open Stock Company Kachkanar "Vanadiy" Mining and Processing Plant, hereinafter referred to as "Buyer", represented by General Director D.A. Khaidarov, acting on the basis of the Statutes, party of the second part, have entered into this Contract regarding the following:

1. SUBJECT OF THE CONTRACT

1.1. Pursuant to the Contract, Seller shall sell to Buyer goods, hereinafter referred to as "Goods", in accordance with the Addenda hereto, and Buyer shall accept and pay for the Goods as and when stipulated herein.

2. PRICE OF GOODS

2.1. The price and description of the Goods shall be specified in Addenda hereto.

3. DELIVERY AND ACCEPTANCE OF GOODS

3.1. The Goods shall be delivered by December 31, 2000 in the quantity and assortment specified in the Addenda hereto.

3.2. The location of the Goods shall be railway station Nizhny Tagil, Sverdlovsk Region. Buyer shall pay for the delivery of the Goods to the Sverdlovsk railway Kachkanar station. Seller's transportation expenses shall not be included in the price of the Goods and shall be fully reimbursed by Buyer within three days from the date Buyer receives the Goods.

3.3. Buyer shall accept the assortment and quantity of the goods when they are delivered along with a certificate of quality.

3.4. Seller's obligations to deliver the Goods shall be deemed fulfilled when authorized representatives of Seller and Buyer have signed an acceptance certificate.

4. PAYMENT PROCEDURE

4.1. Money for the sold Goods shall be transferred to Seller's settlement account within three banking days following the signing date of the acceptance certificate for the Goods.

4.2. If payment for the Goods is delayed beyond the deadline set forth in par. 4.1. through the fault of Buyer, the latter shall pay Seller a penalty of 0.2% for each day of the delay, but not to exceed 5% of the cost of the Goods.

5. LIABILITY OF THE PARTIES

5.1. Seller shall be responsible for defects in the Goods unless he proves that the defects arose after the Goods were delivered to Buyer and resulted from their improper use or storage by Buyer, or from the actions of third parties, or were caused by force majeure.

5.2. The parties shall be liable according to established procedure for breaching the Contract. Losses in the form of direct damage and lost profits shall be subject to reimbursement. The burden of proof shall rest with the affected party.

5.3. If the Goods are rejected without cause, Buyer shall reimburse Seller for losses in the form of direct damage and lost profits.

Mosc.

6. FORCE MAJEURE

6.1. Neither party shall be liable to the other for failure to perform caused by circumstances beyond the will and desire of the parties and which are unforeseeable and unavoidable.

6.2. The party that fails to execute its obligations under the Contract as a result of force majeure shall immediately notify the other party of the obstacle and of how force majeure will affect the fulfillment of contractual obligations.

7. DISPUTE RESOLUTION

7.1. All disputes hereunder shall be settled through negotiation.

7.2. If an agreement cannot be reached, disputes shall be settled in arbitration court in accordance with judicial rules on the basis of Russian Federation law.

8. TERM OF THE CONTRACT

8.1. The term of the Contract shall be from October 27, 1999 to December 31, 2000.

8.2. The contract may be renewed by Supplemental Agreements between the parties.

8.3. The Contract may be terminated:

8.3.1. By agreement between the parties.

8.3.2. For other reasons provided for by the Contract and current legislation.

9. FINAL PROVISIONS

9.1. The Contract is made in two copies of equal legal force, one copy for each party.

9.2. All Addenda and Additions to the Contract are an integral part thereof.

10. LEGAL ADDRESSES AND PAYMENT INFORMATION OF THE PARTIES

10.1. Buyer

OSC Kachkanar "Vanadiy" GOK, 2
Sverdlov St., Kachkanar 624356,
Sverdlovsk Region, Tax ID No. (INN)
6615001962, settlement account No.
40702810800020421865 at Moscow
Business World SCB, [illegible] Zhitnaya
St., Moscow 117049, correspondent
account No. 30101810900000000466,
Bank ID Code (BIK) [illegible]

[signature] [round seal]
D.A. Khaidarov

10.2. Seller

Poliprom LLC, 249 Lenin St., Office 505,
Elista 358000 Tax ID No. (INN)
0814113973, settlement account No.
407028108000900000040 at the Moscow
Business World SCB branch,
correspondent account No.
30301810600011680006
Bank ID Code (BIK) 044525466

[signature] [round seal]
G.M. Bukharin

ADDENDUM [illegible]
to AGREEMENT No. 15-99/PK of October 27, 19[illegible]
between Poliprom LLC and OSC Kachkanar "Vanadiy" GOK

[illegible]

October 27, 1999

	Description of Goods	Quantity	Unit Price (rub.)	Total (rub.)	Total VAT (rub.)	Total with VAT (rub.)
	Set of narrow wedge-shaped [illegible] -30-034, 8 SPS x 3000-28 (rubberized)	1 set	222,000	220,000	44,000	264,000
	Relay Adapter (bayonet joint)	40	2,800	112,000	22,400	134,400
	Contacts (copper)	1,430	1,540	2,202,200	440,440	2,642,640
	Special Washer (treated paper electrical insulator)	30	80	2,400	480	2,880
	Electromagnetic valve 10-45-002 EV 80 110 V	40	24,900	996,000	199,200	1,195,200
	Pressure Relay KPS 37 R1/4 6-18 bar (valve)	29	10,600	307,400	61,480	368,880
	Wire Resistor	10	17,200	172,000	34,400	206,400
	Pilot Nozzle (plastic)	1	34,000	34,000	6,800	40,800
	Fuse 20-58-006 006L 110a 500v	1,500	180	270,000	54,000	324,000
	Automatic packet switch	166	4,300	713,800	142,760	856,560
11	AC motor, single phase 20-50-460 J10R 112 M2 7.5 kW	40	46,200	1,848,000	369,600	2,217,600
12	Ammeter 20-53-053 M15 0-1000A v2 45	20	11,400	228,000	45,600	273,000
13	Intermediate Relay 10-57-014 2RH 01 24b GS	40	8,200	328,000	65,600	393,600
14	Intermediate Relay 10-60-001 2RH01 110v GS	40	8,200	328,000	65,600	393,600
15	Bucholtz Relay 10-56-003. TypBF 50/80	10	8,200	82,000	16,400	98,400
TOTAL				7,843,800	1,568,760	9,412,560

Seller
General Director, Poliprom LLC
 [signature] [round seal] **G.M. Bukharin**

Buyer
General Director
OSC Kachkanar "Vanadiy" GOK
 [signature] [round seal] **D.A. Khaidarov**

Mosc.

4041 9/5/2000 Mosc.

ACCEPTANCE CERTIFICATE

Kachkanar

December 29, 1999

Poliprom Limited Liability Company, hereinafter referred to as "Seller", represented by General Director G.M. Bukharin, acting on the basis of the Statutes, party of the first part, and Open Stock Company Kachkanar "Vanadiy" Mining and Processing Plant, hereinafter referred to as "Buyer", represented by General Director D.A. Khaidarov, acting on the basis of the Statutes, party of the second part, have prepared and signed this Acceptance Certificate regarding the following:

In November-December 1999, in accordance with Addendum No. 1 of 10/27/1999 to Contract No. 15-99/PK of 10/27/1999, Seller delivered and Buyer accepted goods shipped from Nizhny Tagil Station, Sverdlovsk Region, to Kachkanar Station, Sverdlovsk Region, according to railway receipts. Buyer has no claims against Seller with respect to the quality and quantity of the goods.

Seller

General Director, Poliprom LLC

[signature] [round seal] **G.M. Bukharin**

Buyer

General Director

OSC Kachkanar "Vanadiy" GOK

[signature] [round seal] **D.A. Khaidarov**

Mosc.

4041 9/5/2000 Mosc.

COPY

Reconciliation Document between OSC Kachkanar "Vanadiy" GOK and Poliprom LLC

**pursuant to Agreement No. 15-99/PK of 10/27/1999
for [illegible] 1999 to 12/31/1999**

Kachkanar

January 5, 2000

Name	Document	Document Number	Date	Total rub.
[illegible] OSC "Vanadiy" GOK	Invoice	126	12/15/99	9,412,000
	Invoice	127	12/27/99	936,000
	Total:			10,348,000

As of 12/31/1999, OSC "Vanadiy" GOK owes Poliprom LLC 10,348,000 rubles, including VAT of 1,724,066.67 rubles.

Poliprom LLC

[round seal]

General Director [signature] G.M. Bukharin

Chief Accountant [signature] T.N. Tyukacheva

OSC Kachkanar "Vanadiy" GOK

[round seal]

General Director [signature] D.A. Khaidarov

Head [illegible] [signature] [illegible]

Mosc.

3648-5-1

CONTRACT No. 16-99/PK

Kachkanar

November 10, 1999

Poliprom LLC, hereinafter referred to as "Seller", represented by General Director G.M. Bukharin, acting on the basis of the Statutes, party of the first part, and OSC Kachkanar "Vanadiy" Mining and Processing Plant, hereinafter referred to as "Buyer", represented by General Director D.A. Khaidarov, acting on the basis of the Statutes, party of the second part, have entered into this Contract regarding the following:

1. SUBJECT OF THE CONTRACT

1.1. Seller shall sell and Buyer shall purchase OSC "Vanadiy Tulachermet" vanadium products, hereinafter referred to as Products, with the specifications set forth in Addendum No. 1 hereto.

2. PRODUCT QUANTITY

2.1. The Parties shall set forth the quantity of monthly product shipments separately in Addenda.

3. DELIVERY TERMS AND CONDITIONS

Basis of the delivery – FCA Tula (Incoterms 1990). Seller shall, at his own expense, load the products on the means of transportation provided by Buyer.

At least 3 working days prior to the arrival of the means of transportation at the warehouse for the goods, Buyer shall inform Seller in writing of the name of the shipping agent, the anticipated arrival date, and the automobile and trailer number. Automobiles are prohibited from arriving on weekends (Saturday and Sunday) and Russian holidays. If the automobile arrives at Seller's warehouse by 8.00 a.m. Moscow time, Seller shall ship the products to Buyer within a day of the automobile's arrival at his warehouse, provided that Buyer has complied with the deadline for serving notice of the automobile's arrival. If the automobile arrives at Seller's warehouse after 8.00 a.m. Moscow time, Seller shall ship the products to Buyer during the working day following the day of the automobile's arrival, provided that Buyer has complied with the deadline for serving notice of the automobile's arrival.

The Products shall be shipped in lots of *18.5 mt net ± 10%* by auto transportation, or in lots of *50 mt net ± 10%* in covered railroad cars.

The date and, correspondingly, the month of shipment of each lot shall be the date of the road waybill for that lot, or the date of the rail waybill.

Seller shall provide Buyer with the following documents for each shipped lot:

- invoice;
- certificate of quality and quantity issued by OSC "Vanadiy Tulachermet";

- certificate of origin issued by OSC "Vanadiy Tulachermet with seal.

4. PRICE OF PRODUCTS

4.1. The price of the products shall be based on FCA Tula (with loading expenses), and shall be fixed and approved for each month by addenda.

4.2. If, at Buyer's request, Seller fulfills additional shipment obligations (save for loading the products onto the means of transportation at Seller's warehouse), for example preparing customs documents, and, correspondingly, incurs additional expenses (payment of customs duty for Buyer, and so on), Seller shall bill Buyer for those expenses separately.

5. PAYMENT TERMS

5.1. Buyer shall pay for the Products delivered during the month following the month of shipment.

5.2. By agreement between the Parties, payment shall be effected by the transfer of funds to Buyer's [sic] settlement account, offsets, or securities.

5.3. Additional expenses for preparing customs documents and clearing customs may be paid for with promissory notes, whose issuer shall be agreed upon by the Parties separately.

6. QUALITY AND QUANTITY CHECK

Buyer shall have the right to check the weight and quality of the products at his own expense. If the weight determined by weighing is greater or lesser than the weight stated on the certificate of quality and quantity by less than 0.5%, the weight on the certificate of quality and quantity shall be deemed final. Each cast shall be tested separately for primary material content (vanadium pentoxide), and the results shall only apply to the tested cast. If the cast's primary material content does not deviate by more than $\pm 0.5\%$ from the data stated on the certificate, the test results shall be deemed to conform to the data stated on the certificate. If the weighing or control test results differ from the data stated on the certificate by more than the above amount, Buyer shall file an official claim with Seller within 30 days from the CMR date, attaching the control test results with a full description of the sampling, and the test methods and results. Seller shall review the claim within 10 calendar days of receipt.

If Seller disagrees with the test results, an additional test of the parameters shall be conducted by an independent company approved by Seller and Buyer whose results shall be final for both Seller and Buyer. The sampling method and chemical content test method shall be specified by the Parties separately. All expenses related to the independent company's quality and quantity testing of the goods supplied hereunder which are the subject of a claim shall be borne by the losing Party.

Buyer may not use goods which are the subject of a claim until the Parties have settled the claim.

7. FORCE MAJEURE

7.1. Neither Party shall be liable for failure to execute, in whole or in part, its obligations hereunder if such failure is caused by force majeure conditions such as flood, fire, earthquake and other natural disasters, as well as war or armed conflicts, acts of government and other conditions beyond the Parties' control arising after the execution of the Contract and directly affecting its fulfillment.

7.2. In the event of any of the foregoing circumstances, the deadlines set forth in the Contract and additions thereto shall be extended by the corresponding time the *force majeure* conditions exist.

7.3. The Party, which is unable to fulfill its obligations, shall notify the other Party in writing of the onset, expected duration and termination of the above-listed conditions immediately, but no later than 10 (ten) days from the onset and termination. A document issued by the Russian Federation Chamber of Commerce shall serve as adequate proof of the onset and duration of the foregoing conditions.

7.4. Representatives of the Parties shall meet within one month from the transmit date of notification of the onset of the *force majeure* conditions set forth herein to consult and agree on the taking of measures for further implementation or termination of the Contract.

8. DISPUTE RESOLUTION

8.1. Buyer and Seller shall take all measures to resolve through negotiation all disputes and disagreements arising out of or related to the Contract.

8.2. If an agreement cannot be reached, all disputes and disagreements, save for those that fall under the jurisdiction of the general court, shall be settled in a Moscow arbitration court.

9. LIABILITY OF THE PARTIES

9.1. The Parties shall be liable, in accordance with current legislation, for failure to perform or poor performance hereunder.

9.2. Seller shall be liable for the quality and quantity of the supplied products set forth in the Contract and Addenda thereto.

9.3. If Seller is late in delivering the products under the Contract or if Buyer is late in paying for the products to the other Party, a penalty shall be paid based on the rules set forth in art. 395 of the Russian Federation Civil Code.

10. TERM OF THE CONTRACT

10.1. The Contract shall enter into effect on the date it is signed by both Parties and shall be valid until 12/31/2000.

10.2. The Contract may be renewed by mutual written agreement between the Parties.

11. OTHER TERMS

11.1. All prior oral and written agreements regarding the subject matter of the Contract shall be null and void upon the signing of the Contract by the Parties.

11.2. If a smaller price difference between slag and vanadium pentoxide, and/or lower world prices for vanadium pentoxide, and/or higher vanadium pentoxide production expenses make it unprofitable for Seller or Buyer to execute the Contract, the Parties shall agree to amend the Contract. If the amendments are unacceptable for either Party, the Contract shall be suspended.

11.2. All amendments and additions hereto shall be valid if they are in writing. All Addenda mentioned in the Contract are an integral part thereof.

11.3. Neither Party has the right to assign its obligations and rights herein to a third organization without the written agreement of the other Party.

11.4. Relations between the Parties not addressed herein shall be governed by current legislation.

11.5. The Contract contains 4 pages of text and is drawn up in two copies of equal legal force, one copy for each of the Parties.

12. LEGAL ADDRESSES AND PAYMENT INFORMATION OF THE PARTIES

Seller: Poliprom LLC

Address: 249 Lenin St., Suite 505, Elista 358000 Tax ID No. (INN) 0814113973,
settlement account No. 40702810800090000040 at the Elista branch of Moscow Business
World (MDM) SCB
correspondent account No. 30301810600011680006
Bank ID Code (BIK) 044525466

Buyer: OSC Kachkanar "Vanadiy" GOK

Address: 2 Sverdlov St., Kachkanar 624356, Sverdlovsk Region, Tax ID No. (INN)
6615001962, All-Russian Classifier of Enterprises and Organizations (OKPO) 00186938,
Banking Information: settlement account No. 40702810800020421865 at Moscow
Business World SCB, 14 Zhitnaya St., Moscow 117049, correspondent account No.
30101810900000000466, Bank ID Code (BIK) 044525466

SIGNATURES OF PARTIES

For Seller:

General Director, Poliprom LLC
[signature] [round seal] G.M. Bukharin

For Buyer:

General Director
OSC Kachkanar "Vanadiy" GOK
[signature] [round seal] D.A. Khaidarov

**Addition No. 1
to Contract No. 16-99/Pk of November 10, 1999**

Moscow

November 18, 1999

The Parties have reached agreement regarding the following:

1. The cost of packaging under the contract (steel drums) is included in the cost of the goods and is a non-returnable container.
2. Add the words "and ferro-vanadium" after the words vanadium pentoxide in par. 1.1, section 1 – "Subject".
3. Other terms are in accordance with the above contract.

Seller

Buyer

[signature] [round seal]

[signature] [round seal]

**Addendum No. 1
to Contract No. 16-99/Pk
of November 10, 1999**

Specifications for V₂O₅

V₂O₅	at least	90%
SiO₂	not to exceed	0.85%
P	not to exceed	0.055%
Mn	not to exceed	2.5%
TiO₂	not to exceed	0.65%
S	not to exceed	0.1%
CaO	not to exceed	5.0%
Fe	not to exceed	5.0%
(optional)		

Dimension up to 77 mm
Average thickness 2-3 mm
Maximum thickness 5 mm

Packaging: in steel drums with a maximum net weight of 180 kg.

Specifications may be adjusted by agreement between the Parties.

SIGNATURES OF THE PARTIES

For Seller:

General Director, Poliprom LLC
[signature] [round seal] G.M. Bukharin

For Buyer:

General Director
OSC Kachkanar "Vanadiy" GOK
[signature] [round seal] D.A. Khaidarov

**Addendum No. 2
to Contract No. 16-99/Pk
of November 10, 1999**

Kachkanar

November 20, 1999

Product	Quantity Based on Pure V2O5 Content in Vanadium Pentoxide (V in ferro-vanadium), t.	Price per kg of V2O5 in Vanadium Pentoxide (V in ferro-vanadium), rub./kg.	Cost without VAT
Vanadium Pentoxide	172,023 $\pm 10\%$	80.10 rub./kg	13,779,042.30 rub.
Ferro-Vanadium-80	45.58 $\pm 10\%$	211 rub./kg	9,617,380.00 rub.
Ferro-Vanadium-50	18.6 $\pm 10\%$	211 rub./kg	3,924,800.00 rub.

Total 27,321,022.30 rub.

Total cost of the goods is 32,785,226.76 rub. (thirty-two million, seven hundred eighty-five thousand, two hundred twenty-six rubles and seventy-six kopecks), including the cost of the goods – 27,321,022.30 rub., 20% VAT – 5,464,204.46 rub.

Delivery Date: November - December 1999.

For Seller:

General Director, Poliprom LLC
[signature] [round seal] G.M. Bukharin

For Buyer:

General Director
OSC Kachkanar "Vanadiy" GOK
[signature] [round seal] D.A. Khaidarov

**Addendum No. 3
to Contract No. 16-99/Pk
of November 10, 1999**

Specifications for FeV-80

V	at least	78%
Si	not to exceed	2.0%
P	not to exceed	0.06%
Mn	not to exceed	2.0%
Cu	not to exceed	0.1%
S	not to exceed	0.05%
Al	not to exceed	2.0%
C	not to exceed	0.4%
As	not to exceed	0.02%
Fe		remainder

Piece Size: 5-50 mm

Packaging: in marked steel drums with a maximum net weight of 400 kg.

Specifications may be adjusted by agreement between the Parties.

Seller
[signature] [round seal]

Buyer
[signature] [round seal]

**Addendum No. 4
to Contract No. 16-99/Pk
of November 10, 1999**

Specifications for FeV-50

V	at least	48%
Si	not to exceed	2.0%
P	not to exceed	0.1%
Mn	not to exceed	4.0%
Cu	not to exceed	0.2%
S	not to exceed	0.02%
Al	not to exceed	0.1%
C	not to exceed	0.5%
As	not to exceed	0.01%

Piece Size: 5-50 mm

Packaging: in marked steel drums with a maximum net weight of 400 kg.

Specifications may be adjusted by agreement between the Parties.

Seller
[signature] [round seal]

Buyer
[signature] [round seal]

**Addendum No. 5
to Contract No. 16-99/Pk
of November 10, 1999**

Kachkanar

December 9, 1999

Product	Quantity based on Pure V2O5 Content in Vanadium Pentoxide (V in ferro-vanadium), t.	Price per kg of V2O5 in Vanadium Pentoxide (V in ferro-vanadium), rub./kg.	Cost without VAT
Vanadium Pentoxide	263,596 \pm 10%	72.50 rub./kg	19,110,710.00 rub.
Ferro-Vanadium-80	76.00 \pm 10%	190.00 rub./kg	14,440,000.00 rub.
Ferro-Vanadium-50	29.1 \pm 10%	190.00 rub./kg	5,529,000.00 rub.

Total

39,079,710.00 rub.

Total cost of the goods is 46,895,652.00 rub. (forty-six million, eight hundred ninety-five thousand, six hundred and fifty-two rubles), including the cost of the goods – 39,079,710.00 rub., 20% VAT – 7,815,942.00 rub.

Delivery Date: December 1999 - January 2000.

For Seller:

General Director, Poliprom LLC
[signature] [round seal] G.M. Bukharin

For Buyer:

General Director
OSC Kachkanar "Vanadiy" GOK
[signature] [round seal] D.A. Khaidarov

